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SERVICE COMPANY HANDLED CERTIFIED SEED POTATOES

More than sixty car loads of certified seed potatoes have been handled this season by the Ohio Farm Bureau Service Company, Columbus, Ohio. The company is urging that each county interested in buying certified seed make comparative tests between lots of seed from different sources, in an effort to locate the sections producing seed of high yielding quality.

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COOPERATIVE MERCHANDISING SERVICE BEING DEVELOPED

Sunland Sales Cooperative Association, Fresno, Calif., a selling agency for California dried fruits, which so far has concerned itself with the selling of Sun-Maid raisins, is about to extend its activities. It is in receipt of an application from the California Peach and Fig Growers asking it to undertake the marketing throughout the world of dried peaches and figs.

It is the aim of the management of the Sunland association to serve as a cooperative selling agency for the California cooperatives handling quality fruits, and to develop merchandising methods which will insure the sale of these products to the best possible advantage.

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RAISIN COOPERATIVE INTRODUCES A NEW PRODUCT

"Puffed raisins" is a new product being offered to the trade by the Sun-Maid Raisin Growers of California. The product was put on the market in April of this year. It consists of seeded Muscat raisins with the original form, color and bloom of the raisin as it comes from the drying sheds. The method of extracting the seeds without mutilating the fruit is a Sun-Maid secret which is covered by patents. The new product is being packed in 25-pound boxes for bakery use. Before announcement was made of the new product, scores of demonstrations were conducted under every conceivable condition in plants in various parts of the United States. It is said that these raisins because of their appearance are as easy to identify as a Sun-Maid product as if each was stamped with the trade-mark of the association.

NEW ENGLAND CRANBERRY COMPANY REPORTS GOOD YEAR

Shipments of cranberries by the New England Cranberry Sales Company, Middleboro, Mass., for the year ending March 31, 1925, totaled 182,393 barrels, an increase of about 5,400 barrels over the previous year's output. Members were paid \$1,645,265 for 182,034 barrels, making an average of \$9.03 after expenses were deducted. The financial statement of the association for the year shows that income was \$35,560 and disbursements were \$33,494, of which amount \$10,000 was paid as office salaries, and \$3,155 for interest and discount. The operating fund of the company on March 31 was \$60,139, and the reserve funds over \$10,000.

The volume of business handled annually since 1912 has varied from 65,531 barrels for the season of 1917-18, to 229,830 barrels for the season of 1923-24. Amounts received by the growers have varied from about \$600,000 to over \$1,700,000, as will be noted by the figures in the following table:

Year	Barrels Handled		Paid Growers
	Number	Index	
1912 - 1913	149,397	100	----
1913 - 1914	194,126	130	----
1914 - 1915	218,967	147	\$ 804,353
1915 - 1916	127,976	86	776,657
1916 - 1917	156,667	105	921,231
1917 - 1918	65,531	44	615,665
1918 - 1919	113,422	76	921,624
1919 - 1920	207,341	139	1,421,351
1920 - 1921	175,659	118	1,581,718
1921 - 1922	113,095	76	1,312,232
1922 - 1923	193,875	130	1,778,621
1923 - 1924	229,830	154	1,490,112
1924 - 1925	182,393	122	1,645,265

The company was organized in 1907 and reorganized in 1919. The annual meeting for the current year was held at Carver, Mass., on April 14, 1925, with an attendance of 65 out of the 115 members. Among the subjects discussed was that of advertising. It was voted that the directors be authorized to levy a tax of 50 cents a barrel on cranberries marketed from the 1925 crop, the proceeds to be used for advertising purposes.

A few of the milestones of progress noted in the report of the treasurer and manager were as follows: Advertising was started in 1916; in 1918 the first company packing house was opened; in 1920 four company screenhouses were in operation and experiments were started with the power picking machine; and in 1923 the company put in operation its fifth packing house.

FEDERATED GROWERS COMPLETE SECOND YEAR

An increase of 55% in the number of markets reached in 1924, as compared with 1923, is reported by the management of the Federated Fruit and Vegetable Growers, New York City. This organization is a federation of grower-owned and controlled marketing associations scattered through 39 of the 48 states. It was created for the purpose of furnishing sales service on a cooperative basis and began operating in January, 1923.

During the first year of its existence it sold the products of its member associations in 772 markets in 46 states and in 1924 the members' products were sold in 1,196 markets in 47 states. In addition to sales in domestic markets, carlots of farm products were marketed in England, the Scandinavian countries, South America, Cuba, Mexico, and Canada.

The increase in business for the second year of the federation's existence is indicated by the following figures:

Year	Cars Handled	Number Cities Sold in	Number States Sold in
1923	33,510	772	46
1924	34,104	1,196	47

Of the total carlots handled in 1924, 33% were potatoes, 26% apples, and the remainder, other products.

Changes in the percentages of the different products handled the second year as compared with the first are indicated by the following figures:

Commodity	Per cent of Total Carlots Handled	
	1923	1924
Apples	28	26
Potatoes	30	33
Other fruits and vegetables:	42	41
Total	100	100

The greater number of the cars handled both years were sold f.o.b. shipping point. A few cars were sold at private sales and a few at public auctions in the terminal markets. The percentages sold by the different methods for the two years were as follows:

Method of Sale	Per cent of Carlots Sold	
	1923	1924
F.o.b. shipping point	93.1	88.0
Private sale at market	4.0	6.6
Auction at terminal market	2.9	5.4
Total	100.0	100.0

At the close of 1924 the organization was represented by its own employees or by bonded brokers in 197 markets.

QUANTITIES OF BERRIES HANDLED BY OREGON ASSOCIATION

A Turnover of \$393,100 in 1924 is reported by the Berry Growers Packing Company, Gresham, Ore., for its fruit packing activities. In addition, farm supplies to the amount of \$15,000 were handled. This company is operated cooperatively in the interests of the members of the Cooperative Berry Growers, a membership association. The quantities of the different fruits handled were as follows:

	<u>Pounds</u>
Strawberries.....	232,718
Red Raspberries.....	2,119,063
Blackberries.....	189,622
Loganberries.....	655,163
Black Raspberries.....	20,407
Gooseberries.....	5,770
Currents.....	1,962
Pears.....	420,695
Cherries.....	<u>318,511</u>
Total.....	3,943,911

In addition to this, 66,564 pounds of fruit was reported sold outside the association on permits, a payment being made to the association for the privilege.

A list showing the disposition of this tonnage indicates that limited quantities were sold fresh and while large quantities of red raspberries and loganberries were canned, also pears and currents, a very large percentage of the fruit was barreled and frozen, some with sugar and some without. Some fruit was frozen in 5-gallon cans.

Sums distributed to member growers during the year are shown below. The figures for red raspberries and loganberries include small payments on the 1922 crop, presumably a final settlement.

Red Raspberries.....	\$181,859.26
Loganberries.....	29,960.03
Strawberries.....	17,873.38
Blackberries.....	9,299.33
Black Raspberries.....	1,688.98
Currents.....	127.53
Pears.....	3,713.72
Cherries.....	7,281.23
Gooseberries.....	<u>115.40</u>
Total.....	\$251,858.91

Expenses amounted to \$69,076, a few of the largest items being as follows: Sugar, \$23,132; cans, \$12,252; barrels, \$8,774; salaries, \$7,920.

Earnings for the year were \$2,268, of which \$1,004 was on fertilizer, and \$1,184 on merchandise. Total assets at the end of the year were \$31,059.

The specialty of the association is the Cuthbert red raspberry.

ADVANTAGES OF WITHDRAWAL CONTRACT CONSIDERED IN COLORADO

Sixty-nine locals of the Colorado Wheat Growers' Association, Denver, have now been formed and more than 30 of these are already functioning. They have signed their agreements with the overhead organization, have taken over the local activities of the wheat pool, and are preparing for the work of the 1925 season. It is stated that members are glad to have an active part in the handling of the pool, and in many localities there is much enthusiasm.

"What form of marketing contract is most desirable?" is one of the important questions under consideration, and a new agreement which would allow members to withdraw from the pool during a certain specified time any year, is favored by many. It is pointed out that this plan has proved successful in other organizations and that many more members could be secured if this privilege was granted.

The recent election of directors was interpreted as a vote of confidence in the association, as the ten new directors elected were men pledged to carry out the policies which the association has stood for in the past and still stands for.

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ILLINOIS GRAIN ASSOCIATION HAS OPERATED TWENTY-THREE YEARS

A profit of \$8,889 on its 1924 operations is reported by the Bement Grain Company, Bement, Ill., a farmer-owned and controlled enterprise. Of this sum, \$1,150 was devoted to a 6% dividend, \$6,400 to a patronage refund, and \$1,358 was carried to surplus. This company was organized in 1902 and changed to a cooperative company in 1919. It operates plants at three country points, and besides handling grain, it buys coal, seed, feed, twine, and fertilizers. It has 120 members of whom 110 are farmers. Real estate, buildings and equipment are valued at \$41,456; capital stock issued amounts to \$18,837; and the present surplus is \$37,748. The quantity of grain handled in 1903 was 369,055 bushels and in 1924, 450,069 bushels. During the intervening years the range has generally been between these figures. In 1902 the company purchased 1,366 tons of coal and each year since had purchased from 2,000 to 4,000 tons.

Certain figures selected from available annual reports are given in the table below:

Year :	Assets :	Total :	Cars of :	Expense :	Profit :
:	:	Sales :	Grain :	:	:
1912 :	\$37,772 :	----- :	281 :	\$5,195 :	\$2,863 :
1914 :	40,254 :	\$223,966 :	260 :	5,995 :	4,357 :
1921 :	----- :	425,000 :	--- :	----- :	----- :
1922 :	90,815 :	----- :	265 :	9,003 :	6,214 :
1923 :	92,966 :	600,000 :	217 :	8,895 :	7,517 :
1924 :	114,595 :	----- :	268 :	9,381 :	8,889 :

COST OF HANDLING GRAIN IN SASKATCHEWAN

Figures have been tabulated and published by the Saskatchewan Cooperative Elevator Company, Ltd., Regina, Canada, which show a relationship between the average number of bushels of grain handled per elevator and the average cost per bushel for handling. The figures cover a large number of elevators for thirteen grain marketing seasons beginning with 1911 and closing with 1924. The highest average amount of business per elevator was in 1915-16 when approximately 170,000 bushels of grain were handled per elevator. The average cost per bushel for this season was 2.06 cents which is the lowest cost recorded for the 13 years. The smallest number of bushels handled per elevator was in the seasons 1914-15 and 1919-20, 66,000 bushels each season, and the costs per bushel for these years were 3.55 cents and 5.58 cents respectively. The latter figure is the highest average cost for the entire period.

The figures for all the years are given below:

Season	Average Number of Bushels Per Elevator	Average Cost per Bushel for Handling	Fiscal	Other	Total
		Expenses ^{a/}	Overhead ^{b/}	Expense ^{c/}	
		(Cents)	(Cents)	(Cents)	(Cents)
1911-1912	74,000	.65	.90	1.26	2.81
1912-1913	94,000	.75	.66	1.32	2.73
1913-1914	102,000	.75	.69	1.18	2.62
1914-1915	66,000	1.01	1.00	1.54	3.55
1915-1916	170,000	.53	.55	.98	2.06
1916-1917	125,000	.83	.84	1.37	3.04
1917-1918	87,000	.66	1.13	1.80	3.59
1918-1919	68,000	1.06	1.50	2.11	4.67
1919-1920	66,000	1.21	1.79	2.58	5.58
1920-1921	82,000	1.05	1.38	2.50	4.93
1921-1922	105,000	.76	1.02	2.00	3.78
1922-1923	116,000	1.01	.84	1.83	3.68
1923-1924	127,000	.75	.75	1.70	3.20

a/ Fixed expenses, i. e., depreciation and maintenance of elevators, interest on capital loans and the proportion of administrative expenses incurred in connection with these items.

b/ Insurance, superintendence, including head office salaries, and expenses in the country elevator department.

c/ Agents' and helpers' salaries and wages, fuel, oil and gas, taxes, site rents, licenses and sundry station expense items.

MISSISSIPPI FARM BUREAU COTTON ALL SOLD IN APRIL

The Mississippi Farm Bureau Cotton Association, Jackson, Miss., reports that it has received, classed and sold 44,183 bales of cotton. Average prices for the one hundred odd pools ranged from 34 cents per pound for the best staple down to 21.67 cents. An additional quantity of loose cotton, amounting to about 100 bales, has been invoiced and sold for \$10,764.

The 1924 cotton has been shipped to all parts of the world, selling in Liverpool, France, Germany, China, Japan and Canada, as well as to the mills of the United States. Sales were completed early in April and arrangements are being made for the final settlement with members at an early date.

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INDIA MARKETS COTTON COOPERATIVELY

An increase in the quantity of cotton sold cooperatively in the Bombay Presidency, India, is noted in a consular report from Calcutta, dated March 25, 1925. Sales by cooperative societies in 1923-24 brought Rs. 5,350,000 (\$1,733,450) as against Rs. 2,380,000 (\$771,200) the previous year. One of the larger societies did useful work in encouraging the cleaner picking of cotton, and another sold cotton only for members and admitted to membership only those who used the improved seed distributed by the Association.

While the main function of the cooperative departments in the various provinces of India has been and will continue to be the development of a sound system of rural credits, more attention is now being given to non-credit associations, especially where the work is closely related to the extension activities of the agricultural departments, and it is found that much greater progress is made than when the two departments work independently.

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OKLAHOMA DISTRIBUTES ANOTHER TWO MILLION

May 20 was the date set by the Oklahoma Cotton Growers' Cooperative Association, Oklahoma City, for the distribution of \$2,095,910 to its members in final settlement of all but 13 pools of the 1924 cotton. Checks for these 13 pools will be distributed in June. This settlement covers 134,753 bales.

On May 9 the number of bales which had arrived at warehouses was 141,435, of which 141,378 bales had been classed; and sales booked for 141,127 bales. A trial balance dated May 2, showed pool sales had amounted to more than \$17,000,000, and more than \$14,000,000 had been advanced to growers.

A woman agent has been appointed to work in cooperation with home demonstration agents, county superintendents, and community leaders, organizing women's and junior clubs.

COTTON COOPERATIVES SEND COMMISSION TO EUROPE

A commission representing the American Cotton Growers' Exchange and several of the state cotton associations is in Europe to attend the twelfth International Congress at Vienna, June 4 to 6, and to obtain first hand information regarding actual and potential demand for American cotton. The party consists of John T. Orr, Vice-President of the American Cotton Growers' Exchange and President of the Texas Farm Bureau Cotton Association; C. L. Stealey, General Manager, Oklahoma Cotton Growers' Association; J. E. Conwell, President, Georgia Cotton Growers' Cooperative Association; and C. B. Howard, Sales Manager, American Cotton Growers' Exchange. In the list of cities to be visited by one or more of the party are the following: Paris, Vienna, Milan, Barcelona, Berlin, Copenhagen, Bremen, The Hague, Ghent, London, Manchester and Liverpool. Visits will also be made to the offices maintained in Europe by the American Cotton Growers' Exchange, the overhead sales agency for 13 of the state cotton associations. The party sailed May 23 and expects to be back in the United States about the middle of July.

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ANNUAL RETURN OF RESERVE FUNDS AUTHORIZED

Announcement is made by the Texas Farm Bureau Cotton Association, Dallas, that the board of directors has authorized the annual return of reserve funds. The reserve fund deducted the first year the present five-year contract was in force, will be returned during the first year of the new contract, the fund deducted the second year will be repaid to members the second year of the new contract, and annually thereafter similar refunds will be made. By this method the association has the use of the deductions made each year for five years, after which they are returned. Thus the fund revolves making a complete revolution in five years. The deductions amount to not more than one per cent of the members' accounts. These reserves have served as operating capital and have aided in stabilizing the organization and in giving it a good standing in the business world.

Figures have been compiled by the association regarding the grade, staple, color and character of the cotton received the past season. These figures show that of the 283,554 bales classed, 61.98 per cent classed above middling; 84.01 per cent classed middling and above; and 15.99 per cent, below middling. As to staples, 92.65 per cent was one inch; .34 per cent showed staple above one inch; and 7.01 per cent below one inch.

TOBACCO GROWERS PAYING FOR MARKETING FACILITIES

In a recent address, the president of the Burley Tobacco Growers' Cooperative Association, Lexington, Ky., stated that by July 1 the association's equity in real property would be \$4,000,000 and that by the time the present contract period had expired, the \$2,000,000 still due on receiving stations, prizing plants and redriers would be wiped out and these properties would be an asset amounting to more than \$6,000,000.

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CONNECTICUT VALLEY TOBACCO GROWERS SIGN NEW CONTRACTS

The sign-up campaign for the second five-year period, submitted to its members by the Connecticut Valley Tobacco Association, Hartford, Conn., was completed May 25 with a larger number of acres under contract than the limit set at the beginning of the campaign. The goal was 18,000 acres, while returns at the close of the drive indicated that more than 20,000 acres had been pledged for the period beginning with the 1927 crop. The president reported that 85% of the old members had signed the new contracts although the old contracts still have two years to run. The reason for re-signing members at this time was to insure a sufficient volume of business over a period of years to permit the elaboration of a constructive marketing program.

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SOUTH AFRICA HAS THREE TOBACCO COOPERATIVES

Three cooperative tobacco associations are operating in the Union of South Africa, according to a report from the Assistant Trade Commissioner at Johannesburg. Two of these were formed under the cooperative society act and the other under the limited liability company act. The membership of all three is restricted to bona fide tobacco growers. All members are required to deliver their crops to the associations for marketing, and all share the profits *pro rata*.

The Rustenburg Farmers' Cooperative Society in the Transvaal was inaugurated in 1911 and has been very successful, usually handling from 6,000,000 to 7,000,000 pounds of tobacco each year.

The Western District Warehouse Association of Paarl, Cape of Good Hope, handles from 300,000 to 600,000 pounds of tobacco. Also it has placed on the market a matured product which has greatly improved the quality of the Turkish cigarettes manufactured locally.

The other organization, the Vaal River Tobacco Farmers' Limited, was formed in 1918 and changed to a cooperative association in 1921. Its volume of product is about 300,000 pounds yearly.

Two types of tobacco are grown chiefly, the Virginia and the Turkish. The bulk of the Virginia tobacco is harvested during March and April, and the Turkish tobacco during April, May and June.

MIAMI TOBACCO SOLD IN TWENTY-ONE POOLS

Tobacco sales for the first crop, handled by the Miami Valley Tobacco Growers' Association, Dayton, Ohio, that of 1923, amounted to \$1,607,420 to February 28, 1925, after deducting over \$200,000 for discounts, allowances, freight, casss, etc., according to an audit made under date of February 28. Tobacco on hand on February 28 was given an inventory value of \$231,706, making the total value of the tobacco in this first pool, \$1,839,127. The pool expenses, paid and estimated, amount to \$437,840, which leaves \$1,401,286 for the tobacco growers. As the growers have already received in cash and credits \$1,155,544, the final payment according to present estimates will be slightly under a quarter of a million dollars. The expenses, incurred and estimated, amounted to \$7.20 per case of 300 to 400 pounds, made up as follows:

Receiving and handling.....	\$2.73
Carrying expense.....	1.53
Administration.....	1.10
Reserves ^{a/}	1.10
Selling.....	.36
Field Service.....	.25
Grading.....	.13
Total.....	7.20

^{a/} Future direct expense, reserve for contingencies and reserve for funding assets.

The tobacco was sold in 21 pools with average prices for the several pools ranging from about 2 cents a pound for the lowest grade to nearly 19 cents for the best grade.

Of the total quantity handled, 40% was sold for less than 5 cents a pound, 56% for less than 10 cents a pound and 33% for more than 15 cents a pound, as will be noted by the following figures:

Price Range	:	Pounds Sold	:	Per Cent
Under 5 cents	:	7,957,944	:	40
5¢ to 9.9¢	:	3,081,014	:	16
10¢ to 14.9¢	:	1,180,543	:	6
Over 15¢	:	7,568,353	:	38
Total	:	19,787,854	:	100

Forty-two warehouses were used in assembling, grading and storing the tobacco of the 1923 crop. It is planned to use a smaller number of receiving stations in handling the 1924 crop. Many of the warehousing activities are handled by a separate corporation, known as the Miami Warehousing Corporation.

DAIRY FARMERS ORGANIZE TO DISTRIBUTE MILK

Dairy farmers in the vicinity of Springfield, Ill., have organized a Producers' Dairy Company to supply the consumers of Springfield with their products. The organization is a farmers' stock company formed under the cooperative marketing act of the state. A local dairy plant has been purchased in which an ice machine and cooling room will be installed for temporary use. More than \$10,000 worth of stock has been sold and it is stated that milk distribution will begin at the earliest practicable date. The new association was organized jointly by the Sagamon County Milk Producers' Association and the county farm bureau.

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FORTY-TWO CARS OF LAND O' LAKES BUTTER PER WEEK

Forty-two car loads of Land O' Lakes butter is being made weekly by 215 of the creameries belonging to the Minnesota Cooperative Creameries Association, Inc., St. Paul. About 6 cars a week go to New York and Philadelphia, the remainder going into new markets. Large quantities of 91 and 92 score butter also go into new markets. The butter is concentrated at St. Paul, Duluth and Chicago for shipment to eastern and southern markets.

Practically all the Land O' Lakes butter is packed in cartons, either in pounds, halves, or quarter-pound prints. A new printing machine has been installed on account of the great demand for print butter, and as much as 200,000 pounds has been made into prints in one week.

Continued efforts are made by the management to improve the quality and to induce more of the member creameries to make sweet cream butter. A gratifying improvement is noted but the great demand for 92 and 93 score butter makes it urgent that creamery operators and patrons should do all in their power to improve the quality. The management feels that this matter of improving the quality so that every member creamery in the state will get a satisfactory score, is the next big job on its hands, involving every patron and his family, as well as the buttermakers and managers of all the creameries.

An Eastern market for sweet cream has developed and shipment of sweet cream to Philadelphia in carlots has begun. Fresh 40% sweet cream in 10-gallon cans is shipped in refrigerator baggage cars attached to fast passenger trains. On a recent shipment, two cars of cream left St. Paul Friday evening and reached Philadelphia Sunday morning. This cream was delivered for consumption on Monday. Eleven creameries are furnishing Land O'Lakes sweet cream for these shipments, and it is stated that a market can be found for large quantities of such cream.

OHIO PRODUCERS HOLD CREAM GRADING SCHOOL

Sales on a butterfat basis by the Miami Valley Milk Producers' Cooperative Association, Dayton, Ohio, amounted to \$373,174 for the year ending February 28, 1925. A total of 871,237 pounds of butterfat was handled by the 16 cream stations and routes. Producers were paid \$321,086 and in addition received a patronage refund of \$11,942, making a total of \$333,028, which was 90% of the sales. Total expenses for the year amounted to \$38,200, and the sum of \$2,557 was carried to surplus. At the close of the business year the total assets of the association were \$18,223, and the surplus amounted to \$9,912.

Recently a cream-grading school was held at the Dayton plant and nearly all of the cream stations had representatives in attendance. As a result of the school it was decided that station managers should make two grades of cream whenever cream of a poorer quality than the average was delivered. The cans containing the poorer cream are to be indicated by red tags in order that the cream may be handled separately and not mixed with the good cream thereby making it all poor cream. A second grading school is announced for the near future.

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WISCONSIN CHEESE PRODUCERS ARE PLANNING FOR THE FUTURE

Meetings for setting forth the economic outlook regarding cheese production, are being held under the auspices of the Wisconsin Cheese Producers' Federation, Plymouth, Wis., and its affiliated local units. At these meetings information is disseminated regarding the activities of the cheese producers cooperatives in New Zealand and the competition which may be expected from them in foreign markets. Also detailed information is imparted as to the progress being made in the cooperative making and marketing of cheese in the State of Wisconsin. The programs at some of the meetings include an illustrated lecture on New Zealand dairying. At all of the meetings officers of the federation or of its member units discuss the more immediate problems of those concerned in the cooperative marketing of cheese.

In addition to meetings with milk producers, meetings have been conducted for managers of local associations, cheesemakers and helpers. At these meetings the importance of a quality product has been considered and ways and means for producing such a product have been presented with considerable detail.

It appears to be the purpose of those directly interested in the production of cheese in Wisconsin to hold many get-together meetings the present season with the expectation of introducing increased efficiency into the cooperative making and marketing of cheese.

TWENTY-SEVEN WOOL SALES PLANNED FOR TENNESSEE

Plans are being made by the Marketing Specialist of the Tennessee Extension Division for pooling the 1925 wool clip. Twenty-seven points have been designated and dates set for holding wool sales. The wool will be graded and sold according to quality. It is said that buyers from all over the country attend these sales and make sealed competitive bids on the wool. Last year over 200,000 pounds of wool was sold through the pools.

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EIGHT HUNDRED DAKOTA FARMERS SELL WOOL COOPERATIVELY

Eight hundred Dakota farmers are banded together in an organization known as the North and South Dakota Wool Growers' Association, to market their wool cooperatively. Headquarters are at Lemmon, S. D. Organization was effected in 1920. Only members are served by the association.

The amount and selling value of wool handled each of the last three years is shown in the table below:

Year	:	Wool Handled	:	Sales
	:	(Pounds)	:	
1922	:	390,000	:	\$128,700
1923	:	780,000	:	257,400
1924	:	360,000	:	136,000

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WOOL MARKETING INCREASES IN SASKATCHEWAN

Eleven hundred wool growers in Manitoba and Saskatchewan marketed their 1924 wool clip through the Canadian Cooperative Wool Growers. On May 1 of this year the company reported there were just twice as many contracts as on that date last year and these contracts covered double the amount of wool.

Cooperative wool marketing in Canada began in 1914 when 180 sheep owners prepared the wool from their 10,000 sheep in accordance with instructions from the Cooperative Organization Branch of the Department of Agriculture. The quantity marketed that year was 69,904 pounds. The work was continued by the Department of Agriculture for several years with constant attention to the education of the wool growers in preparing the wool for marketing. In 1916 arrangements were made to have each lot of wool graded as it came in by officials of the Dominion Live Stock Branch. This was a great advance and made the Saskatchewan wools more attractive to buyers and better prices were secured. In 1917 the number of consignors had reached 623 and the quantity of wool sold was 223,445 pounds. The following season the work was handed over to the Canadian Cooperative Wool Growers by which organization it has since been handled.

KENT WOOL GROWERS OPERATING SUCCESSFULLY

Information regarding the Kent Wool Growers, Limited, Ashford, England, is transmitted in a letter from the American Agricultural Commissioner, London. This association is said to be one of the most successful of the smaller cooperatives in England. It was formed in 1920 (See Agricultural Cooperation, May 5, 1924, p. 144) with 75 members and now has 436. None of the flocks are extremely large, ranging from about 100 to 2,000 sheep. The average number of fleeces delivered last year was 248 per member. As most of the sheep raised are of one breed, the famous Kent or Romney Marsh breed, there is great uniformity in the flocks and in the wool.

A membership fee of one pound sterling is charged. This draws 5% interest. The initial capital was invested in inexpensive buildings and wool sheets. These sheets are distributed to the members who are required to deliver their wool in them. When from 5,000 to 7,000 fleeces have been collected on the floors a wool grader is secured for grading the wool, in the presence of the owners if requested. After being graded the fleeces are baled and samples are sent for inspection to London where the wool is sold by public auction on the London Wool Exchange. A reserve price is placed on the wools at these auctions and if this price is not realized the wool is withdrawn from the sale and offered again at a future date. All wool is sold on grade and payment is made to growers according to grade. The quantity handled in 1924 was a little more than 364 tons.

The plan of handling is simple. A limited amount of credit is arranged for about shearing time and when wool is delivered a small advance is made to the grower, generally according to the necessities of the individual, as decided by the secretary. After a sufficient quantity of wool is graded the bankers are willing to make further loans and another advance is made to such members as may desire it. The secretary keeps advances as low as possible in order to keep down interest charges and also to protect the society from any danger of a drop in market prices. After the wool is sold a final payment is made to members, accompanied by a full statement.

The successful operation of the company is attributed largely to the secretary. He is the only full-time employee with the exception of a foreman who cares for the plants, repairs wool sheets, etc., during the dull season. During the four months of operation, June to September, a grader is employed and such other help as may be needed.

It is stated that when the organization was first started credit was difficult to secure but now the banks are competing for the business. Prices obtained by this plan of selling on grade on the London Wool Exchange are much better than the local market prices. The small grower has the benefit of large-scale operations and there is a premium for quality.

SALES FOR FUTURE DELIVERY AUTHORIZED

The Supreme Court of Arkansas on April 13, 1925, in the case of the Arkansas Cotton Growers' Cooperative Association v. Brown, held that the association was authorized to sell cotton for future delivery which had not been received at the time sold.

Mr. Brown joined the association and turned over to it 53 bales of cotton that he then had on hand, which he was not required to do by the terms of his contract. The association sold this cotton. Mr. Brown then brought suit against the association for \$4,999, which he claimed he lost on the sale of this cotton. He also sought to have his contract with the association canceled because it had adopted the plan of selling cotton for future delivery. The association filed a cross suit against Brown and prayed that he be compelled to perform specifically his contract with respect to the delivery of cotton to it, and that he be enjoined from disposing of any of his 1923 crop outside of the association.

The lower court held in favor of the association with respect to the alleged loss suffered by Mr. Brown on the sale of his cotton but refused to compel him to perform his contract, on the ground that it was not authorized to sell cotton for future delivery which it did not have on hand. The association then appealed from the rulings of the court which were adverse to it. The Supreme Court held that the sale of cotton for future delivery, even though it had not been gathered at the time, was authorized and that it did not constitute a breach of Mr. Brown's contract. The decree of the lower court was therefore reversed, and it was directed to enter a decree in favor of the association, requiring Mr. Brown to perform his contract specifically and enjoining him from selling his cotton outside of the association. The following quotations from the opinion of the Supreme Court should be of interest:

The decision of the case turns primarily on the question whether or not appellant association is authorized under its contract with the members to enter into contracts with buyers for the sale and future delivery of cotton.

It is undisputed that appellant claims the right to make such contracts as a part of its plan, and that it has entered into such contracts with buyers in some instances for the sale of cotton before it was actually delivered to appellant by the members. If these contracts for future delivery are unauthorized, then such acts on the part of the association constituted breaches of its contract with members, and the association is not entitled to compel performance on the part of its members.

The party to a contract who commits the first breach is the wrong-doer and thereby absolves the other party from performance. This is elemental. We proceed, then, to determine whether or not the contract between appellant and its members authorized sales of cotton for future delivery.

...

Now, when we come to interpret the language of the contract itself between the association and the members, we should do so in the light of the statute which authorizes it, and the articles of incorporation and the by-laws which govern the operation of the association. In fact, it is settled law that by-laws of a corporation evidence the contract between it and its members or stockholders and govern the transactions between them. The contract between the association and its members does not expressly confer the power to make an executory contract with purchasers for future delivery, neither does it prohibit such a contract. It authorizes the association to 'resell such cotton, together with cotton of like variety, grade and staple, delivered by other growers under similar contract at the best prices obtainable by it under market conditions.'...

Moreover, we should interpret the meaning of the word 'resell' in the light of general customs of trade and business with reference to the sale of the commodity dealt with, and the proof is overwhelming that the general method of doing business in the cotton trade is to contract for sale and future delivery and upon terms generally the same as adopted by appellant (association). The proof in the case is that the business of selling cotton in quantities throughout the season cannot be carried on in any other way, for manufacturers of cotton products nearly always prefer to buy on future delivery.

One of the principal arguments advanced by the attorneys for Mr. Brown in support of the proposition that the association was not authorized to sell cotton for future delivery was that there was a possibility of a breach of such a contract by the association, owing to the fact that it might not be able to deliver cotton under such a contract, thereby incurring liability for the breach. In this connection it was urged that inasmuch as the members were by statute made not liable for the debts of the association, and as the association was nonprofit, there was no authority for incurring obligations which might result in liability for damages. In answer to this argument the court pointed out that the statute under which the association was organized expressly authorized the association to sell commodities (cotton) and to contract therefor.

Attention was also called to the fact that the association was authorized to create an expense fund out of which incidental losses and expenses might be paid. It appeared that the association lost approximately \$6,000 on one future contract owing to the fact that it did not have sufficient cotton of the grade called for by the contract with which to fulfill the same. It appears that "this occurred on account of the sudden and rapid depreciation in the grade of cotton caused by bad weather and for that reason less of the required grades was obtained, and the association did not receive a sufficient quantity of cotton to comply with the contract. The conditions were exceptional and the same result

may or may not occur again. The exercise of better judgment and more careful and frequent estimates of the condition of the crop during the gathering season may serve to obviate or to minimize the extent of such results." The court commented upon the fact that the association was formed to bring about better results in the marketing of cotton and that its plan of operation was conceived with this idea in mind, and said that the efforts of the association were to be commended.

L. S. Hulbert

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ASSOCIATIONS LIABLE ON CHECKS SIGNED IN BLANK

It was held in the recent case of Northern Pacific Ry. Co. v. Spokane Valley Growers' Union, 232 Pac. 691, that the union was liable on checks which had been signed in blank by its officers and which were filled in by the bookkeeper (who usually made out the checks and who had access to the safe in which the checks were kept) for various amounts and with his own name as payee.

It appeared that owing to the fact that this cooperative organization was behind in remitting to its members for berries marketed by it for them, the president and treasurer, who were the ones authorized to execute its checks, made out a large number of checks in blank and placed them in the safe. The bookkeeper had access to the safe and as a rule wrote out all of the checks except the signatures. He took several of the checks that were signed in blank, filled in his name as payee for various amounts, and the Northern Pacific Railway Company and others in good faith cashed the checks for him.

The wrong doing of the bookkeeper was detected and he was arrested. At the time of his arrest he had on his person \$1,149.90, which he voluntarily surrendered to the sheriff to be applied on the checks. The persons holding the checks brought suit against the cooperative organization on the checks. The organization did not oppose the distribution of the \$1,149.90 among the persons who had cashed the checks but resisted judgment being entered against it for the balance due. The lower court held that the cooperative organization was liable on the checks. The association appealed, and the Supreme Court affirmed the judgment of the lower court.

The court in holding the Spokane Valley Growers' Union liable on the checks laid emphasis on the fact that the officers of the organization had been negligent in executing the checks in blank and leaving them in the safe to which the bookkeeper had access.

It does not appear whether the bookkeeper was bonded in this case. However, it is believed that it is customary for bookkeepers of cooperative organizations to be bonded, and the soundness of that practice is illustrated by this case.

L. S. Hulbert.

FARMERS PROVIDE OWN AUTOMOBILE INSURANCE

Illinois farmers appear to be among the first to provide themselves with mutual automobile insurance. Early in 1922 the State Farm Mutual Automobile Insurance Company, Bloomington, Ill., was incorporated. It is reported that more than 10,000 policies have been written and that the company is carrying approximately \$4,000,000 of insurance at an average cost of 18 cents per \$100. The membership is limited to members of farm bureaus or farmers' mutual insurance companies and their immediate families, as the risk on cars operated principally in the country can be carried at a low rate.

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POULTRY AND EGGS SHIPPED COOPERATIVELY

With the aid of the North Carolina State Division of Markets, the Farmers' Federation, Inc., is shipping a car load of live poultry from Murphy to New York City each week, picking up the poultry at the stations between Murphy and Asheville. Between March 26 and May 1, the federation shipped 300,996 pounds of poultry, collected from 32 counties, and received prices which it is stated average 5 cents higher than local prices, or a total of \$15,000 more than the local markets would have paid if they could have used all the stock. This cooperative activity affected about 5,000 farmers. One county in its first seven weeks of participation handled \$11,000 worth of eggs and \$8,158 worth of poultry, partly by express and partly in car lots. Another county in five weeks marketed 62,000 pounds of poultry.

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WALNUT ASSOCIATION MAKES FINAL SETTLEMENT FOR SEASON

On April 13, the California Walnut Growers' Association, Los Angeles, made full and final payment for all cull nuts sent to the cracking plants from the 1924 crop. This was the seventh and last of the 1924 pools, and after it was closed the statement was published that "The association does not owe a dollar to anyone." The prices averaged 10 cents per pound for culls and 4 cents for blows. The highest return made for any lot was 14-1/2 cents and the lowest return for any lot was 4-1/2 cents. Net returns on culls were 43% higher than the 1923 prices, and prices were the highest on record with the exception of one war-time year. This was the earliest settlement ever made for the shelled walnut pool, and the distribution was made from funds on hand without the necessity for borrowing.

These results were accomplished by packing the shelled walnuts in 3-ounce and 8-ounce tins, to insure their always being fresh and sweet, and selling them under the "Diamond" and "Kernel" brands.

WISCONSIN GOVERNOR VETOES BILL FOSTERED BY COOPERATIVES

A bill recently passed by the legislature of Wisconsin, providing severe punishment for persons convicted of maliciously circulating false statements about the finances, management or activity of cooperative associations, was vetoed by the Governor with an intimation that it savored of espionage.

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PENNSYLVANIA ISSUES COOPERATIVE PERIODICAL

Publication of a little, 8-page paper, called "Keystone Cooperation," was begun in May by the Pennsylvania Department of Agriculture, Harrisburg. The reasons for its publication are stated by the Secretary of Agriculture of Pennsylvania in the leading article, the chief reason being that in his experience as an officer and director of cooperative associations, he has been impressed with the need for more information. He continues, "We need to know the proper relation between volume of business, investment, salaries, advertising, etc., in organizations of similar size. We must profit by a knowledge of the reasons for the success or failure of other organizations, which can only be done by a careful study of each particular case."

Several associations are described and membership figures are given for a number of years for associations which have reported to the department.

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HAIL INSURANCE HANDLED COOPERATIVELY AT LOW COST

Organized in 1912, the Saskatchewan Municipal Hail Insurance Association, a farmer's cooperative enterprise, has paid \$11,500,000 for hail losses or approximately \$1,000,000 a year. The association carries insurance of about \$25,000,000 a year for 30,000 farmers and by eliminating general agencies and all local agents and maintaining its own staff of inspectors, it operates on a margin of 7-1/2 per cent of the premium as a cost charge. "Each farmer acts as his own agent and writes up his own insurance. If he neglects this the municipality gets the information at a cost of 50 cents per quarter section instead of \$5 to \$10, but the farmer who neglects to make his own return pays a penalty of 50 cents instead of having it charged against the whole business."

A reserve of \$1,600,000 has been accumulated. The management is anxious to have the surplus built up to double this amount as it will then be possible to reduce the rates materially, as a part of the present cost of operation is an adequate reserve for future protection.

The annual report to policy holders shows that the total premium income for 1924 was \$291,840; total losses paid, \$133,923; and surplus at end of the year, \$178,442.

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